



11/023/024
United States Department of the Interior

BUREAU OF LAND MANAGEMENT
HOUSE RANGE RESOURCE AREA

15 East 500 North
P.O. Box 778
Fillmore, Utah 84631

TAKE
PRIDE IN
AMERICA

IN REPLY REFER TO:
3600
(U-054)
U-070554

December 16, 1993

CERTIFIED MAIL RRR #P 309 469 640

TERRY KERBY
TECHNICAL SUPERVISOR
ASH GROVE CEMENT WEST INC
LEAMINGTON PLANT
PO BOX 51
NEPHI UT 84648

RECEIVED

DEC 20 1993

DIVISION OF
OIL, GAS & MINING

Dear Mr. Kerby:

On October 19, 1993, a field compliance inspection was conducted for Ash Grove Cement Company's County Canyon Shale Quarry, located in T. 12 S., R. 2½ W., Section 25, SW¼, BLM contract number UTU-070554. The sales contract was signed by this office on December 21, 1992, under the 43 CFR 3610 regulations for mineral material sales.

This inspection verified Ash Grove Cement Company's activities at the County Canyon Shale Quarry are in compliance with Federal regulations. The inspection also revealed no serious violations of the Special Contract Stipulations, "Exhibit B".

However, some problems do exist at the quarry. These problems are enumerated below:

1. Stipulation 11 states, "Revegetation test plots would be developed and monitored by Ash Grove Cement Company. The BLM would monitor these test plots during surface compliance inspections."

No revegetation test plots were observed during this inspection. If they have not been initiated, please contact this office for assistance in establishing the test plots.

2. Ash Grove Cement Company's operating plan for the quarry states, "Topsoil stripped during phases I and II will be stockpiled at the north pit limits to facilitate reclamation after mining." The maps accompanying the operating plan show a berm above the highwall identified as the topsoil storage stockpile.

Our inspector could not identify the topsoil storage stockpile. A modest berm, mostly composed of vegetative material was noted above the north highwall. It appears most of the topsoil was excavated into an existing drainage on the east side of the quarry. Consequently, a small seep of water has developed in the drainage.

We are requiring information concerning the volume and location of the stockpiled topsoil. This letter serves as notice, if missing or lost topsoil results from unauthorized operating practices, at mine closure, Ash Grove Cement Company will be required to haul in and replace the deficient amount of topsoil.

3. Shortly after signing the material sales contract, this office received a corporate surety bond from Ash Grove Cement Company in the amount of \$21,600. Half this amount was retained by the BLM, as additional

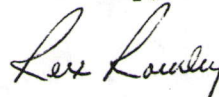
security for the full and faithful performance of the contract and is to be applied to the payment of the last installment. The other half was payment in advance for shale to be mined. The contract price of the shale is \$0.50/ton, so the first payment covered the production of 21,600 tons of shale.

Additional payments were to be made in installments of \$10,800 prior to mining the shale. As of September 30, 1993, Ash Grove Cement Company reported producing 32,104 tons of shale. This is 10,504 tons in excess of what was paid for. Prior to the removal of that material, this office should have received an additional installment of \$10,800. This installment is past due and payable immediately. If Ash Grove Cement Company anticipates producing 11,096 tons of shale in the fourth quarter of 1993, two installments would be due. The first installment would be for shale already mined and is delinquent. The second installment would be advance payment for shale to be mined in 1994.

4. Stipulation 3 requires that a pre-mining survey and annual survey be submitted to this office. The pre-mining survey maps and sections are past due and must be submitted immediately. We are requesting that annual survey maps and sections be submitted on January 10, 1994, with the fourth quarterly production report for 1993. Also, please provide a conversion factor, based on annual production data from the County Canyon Quarry, to equate tons of shale mined with bank cubic yards.

If you have any questions regarding this letter, please feel free to call Rody Cox at (801) 743-6811.

Sincerely,



Rex Rowley
Area Manager

cc: D. Wayne Hedberg, UDOGM